



2008 ANNUAL REPORT
OFFICE OF THE MISSOURI STATE AUDITOR
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SUSAN MONTEE
STATE AUDITOR

ANNUAL REPORT

-----A MESSAGE FROM
THE STATE AUDITOR

The Citizens of Missouri
The Honorable Jay Nixon
The Missouri General Assembly

Enclosed is a summation of the body of audit work completed in 2008.

I am pleased that we were able provide Missouri residents, lawmakers, and governments throughout the state needed information and audit support essential to improve operations.

We were able to highlight Medicaid fraud issues as they exist, as well as the timeliness of child support administrative hearings that occurred. Among the scores of audits released were reports that dealt with Missouri's Safe School Initiatives, Transportation Development Districts (TDD's), child immunizations, senior vaccinations, Missouri's Department of Agriculture, and food safety inspection.

Meanwhile, we were able to continue augment county governments, as well the state itself in meeting federal reporting requirements that assure federal funds set aside for Missouri are returned for their intended purposes.

It is my pleasure to continue to lead our independent teams of auditors whose extraordinary work and devotion to service is captured in the following report.

Very truly yours,

A handwritten signature in black ink, appearing to read "Susan Montee".

Susan Montee, JD, CPA

OVERVIEW OF THE MISSOURI STATE AUDITOR'S OFFICE



Missouri State Auditor Susan Montee

DUTIES OF THE STATE AUDITOR

In the Missouri Constitution, under Article IV, Section 13, the Missouri State Auditor is responsible for auditing all state agencies, boards and commissions; the state court system; counties that do not have a county auditor; and other political subdivisions, such as cities or school districts, upon petition by the voters of those subdivisions.

All audits are conducted in an impartial, nonpartisan manner, in accordance with government auditing standards issued by the United States Government Accountability Office. State auditors adhere to the rigorous standards of the auditing profession and exercise the highest levels of integrity and ethics. Audit findings and recommendations are based upon reliable evidence, free from preconceived notions and the influence of personal opinions.

AUDITS PERFORMED IN THE OFFICE

Primarily five types of audits are performed by the State Auditor's Office. They include the following:

- 1) State Government Audits: Audits of state agencies and departments, boards and commissions, statewide elected officials, the General Assembly, the judiciary, the state's financial statements, and federal awards expended by the state.
- 2) Petition Audits: The State Auditor may be called upon to audit any political subdivision of the state, such as cities, school districts, water districts, etc., if enough qualified voters of that political subdivision request an audit. The political subdivision pays the actual cost of the audit.
- 3) Performance Audits: Independent audits for the purpose of reporting the extent to which agencies and departments of state government are faithfully carrying out the programs for which they are responsible and determining whether the programs are achieving their desired result.
- 4) County Audits: The State Auditor is required to conduct audits once every four years for counties that do not have a county auditor.
- 5) Special County Audits: The State Auditor conducts a special audit after a vacancy occurs in a county collector's office, before the Governor appoints a replacement.

For a complete listing of year 2008 audits delivered, please see Appendix A / page 15.

BOND REGISTRATION

The State Auditor's Office is responsible for reviewing and registering general obligation bonds issued by political subdivisions in Missouri to ensure those bonds comply with both state law and the conditions of the contracts under which the bonds were issued. For a complete listing of bonds registered in 2008 with the State Auditor's Office, please see Appendix B / page 170.

REVIEW OF PROPERTY TAX RATES

State law requires the Missouri State Auditor to annually certify all taxing jurisdictions throughout Missouri as to their compliance with state law and the tax limitation provisions of Missouri's Constitution, Article X, Sections 16-24, commonly known as the Hancock Amendment. Our tax report shows whether a taxing jurisdiction has met its constitutional and statutory obligation to set an overall tax rate at a level approved by voters and within the bounds of limits set by Missouri's Constitution and state law. Through the efforts of the State Auditor's Office, local governments levying taxes in excess of the amount allowable by law have been reduced from 67 in 1999 to 8 in 2008.

NOTE: The State Auditor's Office does not have the authority to reduce the tax rate of any taxing jurisdiction. Additionally, the State Auditor's Office has no authority to determine or review individual tax assessments. Chapter 138, RSMo, governs the appeals process for assessed valuations as they pertain to individual taxpayers.



2008 AUDIT TABLE OF CONTENTS

(REPORTS AND SUMMARIES CAN BE ACCESSED ELECTRONICALLY)

Audit Reports Released in 2008

<u>AUDIT</u>	<u>DATE ISSUED</u>	<u>AUDIT NUMBER</u>
Review of 2008 Property Tax Rates	12-2008	2008-101
Office of Attorney General / Medicaid Fraud / Control Unit	12-2008	2008-100
Bollinger County	12-2008	2008-99
Public Safety / Missouri State Highway Patrol's Use of Highway Funds / Year Ended June 30, 2008	12-2008	2008-98
City of St. Louis / Office of Treasurer	12-2008	2008-97
City of St. Louis / Department of Parks, Recreation, and Forestry	12-2008	2008-96
City of St. Louis / Office of the Comptroller	12-2008	2008-95
Health And Senior Services / Food Safety Inspection Program	12-2008	2008-94
DeKalb County - Financial Statements	12-2008	2008-93
McDonald County - Financial Statements	12-2008	2008-92
Knox County - Financial Statements	12-2008	2008-91
Wayne County - Financial Statements	12-2008	2008-90
Washington County - Financial Statements	12-2008	2008-89
Social Services / Timeliness of Child Support Administrative Hearings	12-2008	2008-88
Seventh Judicial Circuit / City of Pleasant Valley / Municipal Division	12-2008	2008-87
Stone County	12-2008	2008-86
Livingston County - Financial Statements	12-2008	2008-85
Linn County - Financial Statements	12-2008	2008-84
Benton County - Financial Statements	12-2008	2008-83
Atchison County - Financial Statements	12-2008	2008-82
Adair County - Financial Statements	12-2008	2008-81
Miller County - Financial Statements	12-2008	2008-80
Hickory County - Financial Statements	12-2008	2008-79

<u>Barton County - Financial Statements</u>	12-2008	2008-78
<u>Polk County - Financial Statements</u>	11-2008	2008-77
<u>Audrain County - Financial Statements</u>	11-2008	2008-76
<u>Mississippi County</u>	11-2008	2008-75
<u>Thirty-Eighth Judicial Circuit / City of Ozark / Municipal Division</u>	11-2008	2008-74
<u>Shelby County</u>	10-2008	2008-73
<u>City of Union Star</u>	10-2008	2008-72
<u>Troy/Lincoln County / Transportation Development District</u>	10-2008	2008-71
<u>Health and Senior Services / Influenza Vaccine Compliance Requirements</u>	10-2008	2008-70
<u>Health and Senior Services / School Children Immunization Compliance Requirements</u>	10-2008	2008-69
<u>Statewide / Oversight of Procurement and Fuel Card Programs Follow-up</u>	10-2008	2008-68
<u>Chariton County</u>	10-2008	2008-67
<u>Transportation Development Districts</u>	10-2008	2008-66
<u>Health And Senior Services / Mid-East Area Agency on Aging</u>	10-2008	2008-65
<u>Twentieth Judicial Circuit / Franklin County</u>	09-2008	2008-64
<u>Twenty-Fifth Judicial Circuit / City of Rolla / Municipal Division</u>	09-2008	2008-63
<u>City of St. Louis / Board of Aldermen</u>	09-2008	2008-62
<u>City of St. Louis / Board of Public Service</u>	09-2008	2008-61
<u>City of St. Louis / Supply Division</u>	09-2008	2008-60
<u>City of St. Louis / Department of Personnel</u>	09-2008	2008-59
<u>Metro (St. Louis)</u>	09-2008	2008-58
<u>Labor And Industrial Relations / Workers' Compensation System</u>	09-2008	2008-57
<u>Thirty-Ninth Judicial Circuit / City of Monett / Municipal Division</u>	09-2008	2008-56
<u>Thirteenth Judicial Circuit / Callaway County</u>	09-2008	2008-55
<u>Montgomery County</u>	08-2008	2008-54
<u>Benton County</u>	08-2008	2008-53
<u>Safe Schools Initiatives</u>	08-2008	2008-52
<u>Fifteenth Judicial Circuit / City of Wellington / Municipal Division</u>	08-2008	2008-51
<u>City of Wellington</u>	08-2008	2008-50
<u>Transportation / Information Systems Security Controls</u>	08-2008	2008-49

<u>City of Centerview</u>	07-2008	2008-48
<u>Tax Credit / Analysis of Affordable Housing Tax Credit Program</u>	07-2008	2008-47
<u>City of Lebanon</u>	07-2008	2008-46
<u>Agriculture / Department of Agriculture</u>	07-2008	2008-45
<u>Thirty-Eighth Judicial Circuit / City of Clever / Municipal Division</u>	07-2008	2008-44
<u>Thirty-Ninth Judicial Circuit / City of Cassville / Municipal Division</u>	07-2008	2008-43
<u>Thirty-Ninth Judicial Circuit / City of Aurora / Municipal Division</u>	07-2008	2008-42
<u>Schuyler County</u>	06-2008	2008-41
<u>Missouri Investment Trust</u>	06-2008	2008-40
<u>Village of Humphreys</u>	06-2008	2008-39
<u>Clark County</u>	06-2008	2008-38
<u>Twenty-Third Judicial Circuit / City of Olympian Village / Municipal Division</u>	06-2008	2008-37
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<u>Thirty-Eighth Judicial Circuit / City of Forsyth / Municipal Division</u>	06-2008	2008-35
<u>Administration / Children's Trust Fund Board</u>	06-2008	2008-34
<u>Thirty-Eighth Judicial Circuit / City of Hollister / Municipal Division</u>	06-2008	2008-33
<u>Office of State Treasurer / Year Ended June 30, 2007</u>	05-2008	2008-32
<u>Henry County</u>	05-2008	2008-31
<u>City of Pagedale</u>	05-2008	2008-30
<u>Drexel R-IV School District</u>	05-2008	2008-29
<u>Holt County</u>	05-2008	2008-28
<u>Twenty-Sixth Judicial Circuit / City of Lebanon / Municipal Division</u>	05-2008	2008-27
<u>Twenty-Sixth Judicial Circuit / Camden County</u>	04-2008	2008-26
<u>Natural Resources and Office of Administration / Analysis of State Energy Efficiency Programs</u>	04-2008	2008-25
<u>Prosecuting Attorney / Cole County</u>	04-2008	2008-24
<u>Tax Credit / Analysis of Low Income Housing Tax Credit Program</u>	04-2008	2008-23
<u>Senate Bill 40 Boards</u>	04-2008	2008-22
<u>Twenty-Third Judicial Circuit / City of Byrnes Mill / Municipal Division</u>	04-2008	2008-21
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<u>Village of Phillipsburg</u>	03-2008	2008-19
<u>Twenty-Third Judicial Circuit / City of DeSoto / Municipal Division</u>	03-2008	2008-18
<u>State of Missouri / Single Audit / Year Ended June 30, 2007</u>	03-2008	2008-17
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<u>Twenty-Third Judicial Circuit / City of Festus / Municipal Division</u>	03-2008	2008-15
<u>Administration / SAM II Vendor File and Related Processes</u>	03-2008	2008-14
<u>Comprehensive Annual Financial Report</u>	03-2008	2008-13
<u>Twenty-Third Judicial Circuit / City of Arnold Municipal Division</u>	03-2008	2008-12
<u>Village of Brumley</u>	03-2008	2008-11
<u>Compilation of 2007 Criminal Activity Forfeiture Act Seizures</u>	02-2008	2008-10
<u>Office of Governor</u>	02-2008	2008-09
<u>Attorney General Reimbursement</u>	02-2008	2008-08
<u>County Collector / Cole County</u>	02-2008	2008-07
<u>Administration / Review of Article X, Sections 16 Through 24, Constitution of Missouri / Year Ended June 30, 2007</u>	01-2008	2008-06
<u>City of St. Peters</u>	01-2008	2008-05
<u>Fifth Judicial Circuit / City of St. Joseph / Municipal Division</u>	01-2008	2008-04
<u>Health and Senior Services / Protecting Children at Child Care Providers</u>	01-2008	2008-03
<u>Greene County Fire Protection Districts / Year Ended December 31, 2006</u>	01-2008	2008-02
<u>Public Safety / Fireworks Licensing and Inspection</u>		

Bonds Registered with the Missouri State Auditor's Office

The Missouri State Auditor's Office is responsible for reviewing and registering general obligation bonds issued by political subdivisions in Missouri, with certain exceptions, to ensure those bonds comply with both state law and the conditions of the contracts under which the bonds are issued. Information regarding each bond issue registered with this office since January 1, 2008 to December 31, 2008 are listed below.

<u>Date of Registration</u>	<u>Bonds Issued By</u>	<u>Amount of Issue</u>
12-23-2008	West Peculiar Fire Protection Dist	\$990,000.00
12-22-2008	Wentzville R-IV School District	\$8,540,000.00
12-22-2008	City of Northwoods	\$2,500,000.00
12-19-2008	City of Lake Ozark	\$125,000.00
12-19-2008	Boone County	\$1,700,000.00
12-18-2008	Odessa R-VII School District	\$6,405,000.00
12-11-2008	Greenville R-II School District	\$4,000,000.00
12-10-2008	Metro-North Fire Protection Dist	\$2,000,000.00
11-25-2008	City of St Charles, Missouri Neighborhood Improvement District	\$2,040,000.00
11-24-2008	City of Lee's Summit	\$5,000,000.00
11-21-2008	North Kansas City School District 74	\$10,000,000.00
11-21-2008	Blue Eye R-V School District	\$830,000.00
11-17-2008	White Cloud Township of Nodaway Co	\$150,000.00
11-17-2008	Independence Township of Nodaway Co	\$75,000.00
11-06-2008	Pattonville Fire Protection Dist	\$5,000,000.00
11-06-2008	Nodaway Township of Nodaway Co	\$135,000.00
11-06-2008	Higbee R-VIII School District	\$1,200,000.00
10-29-2008	JDunklin R-V School District	\$10,000,000.00
10-28-2008	Jefferson Co R-VII School District	\$10,000,000.00
10-06-2008	Lincoln County	\$93,082.66
09-29-2008	Delta R-V School District	\$2,600,000.00
09-29-2008	Avenue City R-IX School District	\$1,250,000.00
09-26-2008	Taneyville R-II School District	\$1,000,000.00

09-25-2008	Humansville R-IV School District	\$1,300,000.00
09-22-2008	Robertson Fire Protection District of St. Louis County, Missouri	\$4,000,000.00
09-16-2008	New Haven School District	\$2,800,000.00
09-03-2008	City of Ballwin	\$3,695,000.00
08-22-2008	Concordia R-II School District	\$750,000.00
08-22-2008	City of St Peters	\$16,000,000.00
08-18-2008	Lakeside 370 Levee District of St. Charles County, Missouri	\$33,895,000.00
08-15-2008	University City School District	\$4,735,000.00
07-31-2008	Grandview C-4 School District	\$1,500,000.00
07-30-2008	New Bloomfield R-III School Dist	\$1,900,000.00
07-29-2008	City of Carl Junction	\$4,500,000.00
07-23-2008	Camden County Neighborhood Improvement District	\$1,895,000.00
07-15-2008	Aurora Reorganized School District No. VIII	\$3,900,000.00
07-09-2008	City of Grain Valley	\$6,940,000.00
07-01-2008	Moniteau County R-I School District	\$4,400,000.00
06-26-2008	Northwest R-I School District	\$10,000,000.00
06-26-2008	Southern Boone County R-I School District	\$1,700,000.00
06-24-2008	Silex R-I School District	\$1,300,000.00
06-23-2008	Consolidated School District No. 4	\$8,410,000.00
06-23-2008	Monroe City R-I School District	\$1,200,000.00
06-23-2008	City of Fair Grove	\$500,000.00
06-19-2008	Rockwood R-6 School District	\$4,500,000.00
06-19-2008	Rockwood R-6 School District	\$70,000,000.00
06-18-2008	Portageville School District	\$1,500,000.00
06-17-2008	Fayette R-III School District	\$1,750,000.00
06-16-2008	Pike County R-III School District	\$5,000,000.00
06-12-2008	Kirksville R-III School District	\$14,500,000.00
06-11-2008	Reorganized School District No. 7	\$54,000,000.00
06-11-2008	Reorganized School District No. 2 (Willard)	\$2,835,000.00
06-09-2008	Belton School District #124	\$9,000,000.00
06-03-2008	Community R-VI School District	\$1,700,000.00
06-03-2008	Greenfield R-IV School District	\$750,000.00
06-03-2008	Crawford County R-II School District	\$5,000,000.00

06-03-2008	Halfway R-III School District	\$1,500,000.00
06-03-2008	Clarksburg C-2 School District	\$600,000.00
06-02-2008	Lincoln County R-III School District of Troy, Missouri	\$2,215,000.00
06-02-2008	Kennett School District No. 39	\$7,000,000.00
06-02-2008	Hancock Place School District	\$1,500,000.00
05-29-2008	Odessa R-VII School District	\$9,595,000.00
05-29-2008	Platte County	\$2,025,000.00
05-29-2008	Platte County	\$9,995,000.00
05-29-2008	Livingston County Library District	\$3,400,000.00
05-29-2008	Webb City R-VII School District	\$5,000,000.00
05-27-2008	Wright City R-II School District	\$2,735,000.00
05-27-2008	Liberty Public School District No. 53	\$58,000,000.00
05-27-2008	Reorganized School District No. R-II	\$27,000,000.00
05-27-2008	Davis R-XII School District	\$200,000.00
05-27-2008	Platte Co R-III School District	\$7,950,000.00
05-21-2008	Hickman Mills C-1 School District	\$15,000,000.00
05-20-2008	Normandy School District	\$10,000,000.00
05-20-2008	Normandy School District	\$3,000,000.00
05-20-2008	West Nodaway County R-I School District	\$1,200,000.00
05-14-2008	Lincoln County R-III School District	\$6,795,000.00
05-13-2008	Hancock Place School District	\$7,500,000.00
05-07-2008	Greene Co. Reorganized School District No. 3 (Republic)	\$4,990,000.00
05-01-2008	Eldon R-I School District	\$10,000,000.00
04-30-2008	Lincoln County R-III School District	\$3,205,000.00
04-28-2008	Camdenton Reorganized School District No. R-3	\$3,950,000.00
04-28-2008	Miller County	\$317,000.00
04-28-2008	Polo R-VII School District	\$1,290,000.00
04-28-2008	Crystal City School District No. 47	\$1,085,000.00
04-22-2008	Central R-III School District	\$4,600,000.00
04-17-2008	Reorganized School District No. II	\$2,540,000.00
04-17-2008	Junior College District of East Central Missouri of Franklin, Crawford	\$9,800,852.65
04-04-2008	Lawson Reorganized School District No. R-XIV	\$1,800,000.00
04-01-2008	Monett R-I School District	\$1,300,000.00

03-31-2008	Grain Valley R-V School District	\$6,000,000.00
03-27-2008	Farmington R-7 School District	\$8,545,000.00
03-27-2008	Pleasant Hill R-III School District	\$2,000,000.00
03-27-2008	Clark County R-I School District	\$2,250,000.00
03-25-2008	School District of Columbia	\$30,015,000.00
03-24-2008	Consolidated School District No. 6	\$8,410,000.00
03-24-2008	Thayer R-II School District	\$2,600,000.00
03-24-2008	City of Raymore	\$2,515,000.00
03-24-2008	St Charles County Ambulance District	\$3,265,000.00
03-18-2008	Rockwood R-6 School District	\$17,165,000.00
03-17-2008	Strain-Japan R-XVI School District	\$200,000.00
03-11-2008	Lincoln County	\$35,475.39
03-10-2008	Windsor C-1 School District	\$5,255,000.00
03-04-2008	Consolidated School District No. 4	\$1,500,000.00
03-03-2008	Southern Boone County R-I School District	\$5,395,000.00
02-29-2008	City of Chesterfield	\$5,255,000.00
02-29-2008	Francis Howell R-III School District	\$26,955,000.00
02-26-2008	Nixa Reorganized School District No. R-2	\$3,200,000.00
02-26-2008	Excelsior Springs 40 School District	\$3,620,000.00
02-20-2008	School District of Webster Groves	\$2,500,000.00
02-11-2008	Cape Girardeau School District No. 63	\$5,950,000.00
02-11-2008	Meramec Valley R-III School District	\$5,145,000.00
02-05-2008	Reorganized School District No. R-IV	\$6,635,000.00
01-30-2008	School District of Springfield R-12	\$6,970,000.00
01-29-2008	School District of Clayton	\$10,000,000.00
01-29-2008	Platte County R-III School District	\$2,925,000.00
01-28-2008	Boonville R-I School District	\$2,855,000.00
01-23-2008	Fulton Public School District No. 58	\$3,550,000.00
01-15-2008	Lindbergh R-8 School District	\$8,410,000.00
01-07-2008	New Franklin R-I School District	\$850,000.00
01-07-2008	New Bloomfield R-III School District	\$1,150,000.00
01-07-2008	Dexter R-XI School District	\$4,000,000.00

MISSOURI STATE AUDITOR'S OFFICE

WEB SITE

www.auditor.mo.gov

All audit reports issued from 1999 to present are listed on the site, and each audit report is categorized in order to locate it quickly and easily. Categories include a listing of audits by subject and there is also a regional map to locate audits by location. These reports are posted for individuals to view and print.

In addition, posted on the office's website are bonds registered with the office from 1999 to present. Fiscal notes prepared by the State Auditor's Office from 2003 to present are available on the website. The Web site has links to SAO media advisories, employment opportunities and petition audit process information. There is also a link to political subdivision financial reporting, County Collector Annual Settlement forms, and property tax forms.

Copies of audit report(s) can be obtained by contacting the State Auditor's Office via e-mail at moaudit@auditor.mo.gov or writing to the office under the "Your Input" section on our website. Individuals may also contact the office by mail or by telephone.

CONTACTING THE STATE AUDITOR'S OFFICE

There are several ways to contact the office:

Hotline number:	1-800-347-8597
Webpage:	www.auditor.mo.gov
E-mail address:	moaudit@auditor.mo.gov

In Jefferson City:

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